



Title: I, Payroll/Personnel Manual

Chapter:

Bulletin: Title I, 09–25, Thrift Savings Plan (TSP) Changes

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To: Holders of the Payroll/Personnel Manual  
Personnel User Groups  
Personnel Offices

Effective in January 2006, the percentage limitations on Thrift Savings Plan (TSP) employee contributions were lifted. Employee contributions to the TSP are limited only by the restrictions imposed by the Internal Revenue Code. For 2010, the elective deferral limit will remain \$16,500.

Employees are strongly encouraged to review their earnings and leave statement to determine the TSP contribution amount or percentage that best works for them, ensuring that other deductions, such as Old Age, Survivors, and Disability Insurance (OASDI), Medicare, and retirement are not adversely affected. The TSP Web site ([www.tsp.gov](http://www.tsp.gov)) has several calculators, which employees should take advantage of when making these decisions and in order to maximize their contributions. Also, refer to Bulletin Title I, 06–18, Thrift Savings Plan (TSP) Deductions, dated October 4, 2006, for additional information.

Additionally, the Federal Retirement Thrift Investment Board implemented Public Law 107–304, dated November 27, 2002, which permits eligible TSP participants who are age 50 or older to make tax-deferred “Catch-up” contributions from their basic pay to their TSP Account. These contributions are a supplement to the participant’s regular employee contributions and do not count against the Internal Revenue Code’s elective deferral limit, (remains \$16,500 in 2010). However, the catch-up contributions have their own annual limit (remains \$5,500 in 2010) and eligibility criteria.

For more information on TSP changes, see the TSP Web site ([www.tsp.gov](http://www.tsp.gov)). To view and/or print these procedures, go to NFC’s Home Page ([www.nfc.usda.gov](http://www.nfc.usda.gov)) and click the **Publications** link at the top of the page. At the Publications page right–hand menu, click **Procedures by Title/Chapter** and search for the appropriate chapter on the list provided. For questions about NFC processing, contact the Payroll/Personnel Call Center at **504–255–4630**.

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